



## PROPOSED 2003 TOTAL COMPENSATION PACKAGE

BY TROY A. EID  
EXECUTIVE DIRECTOR, DPA

**Editor's Note:** The following is a reprint of a letter sent to Governor Bill Owens and Representative Brad Young outlining the results of the total

compensation survey for Fiscal Year 2003-04.

August 1, 2002

Honorable Bill Owens  
Governor of Colorado

Honorable Representative Brad Young  
Chair, Joint Budget Committee  
Colorado General Assembly

Dear Governor Owens and Representative Young:

I am pleased to submit to you the results of the 2003 Total Compensation Survey Report as required by C.R.S. 24-50-104 (4). The attached report contains the Department of Personnel & Administration's survey findings and recommendations for providing prevailing total compensation to employees in the state personnel system.

This report is commonly known throughout Colorado state government as the annual "salary survey." Yet

that nickname describes just one important aspect of the report. The statute generally defines "prevailing total compensation" to include *both* salary *and* benefits:

[P]revailing total compensation' means the salary, benefits, including retirement benefits, and premium pay practices comparable to those found by the state personnel director in similar kinds of employment in appropriate markets of public and private employment. C.R.S. 24-50-104(1)(a)(II)

In keeping with the "total compensation philosophy" required by the statute, the report proposes various adjustments in employees' total compensation package, including both salary and benefits such as health insurance. Specifically, DPA recommends an average increase in Fiscal Year '03-'04 of 3.8 percent to employees' base pay, based on an extensive analysis of what comparable Colorado public and private sector employers are doing. We also present options for increasing employee benefits – especially health insurance – to prevailing market levels.

Importantly, the report warns that the State has not kept pace with spiraling health insurance costs for our workforce. **Between 1994 and 2001, the State's contribution to employees' health insurance premiums was fixed by statute and did not increase at all – let alone keep pace with the market.** During this same period, the cost of health

Please see COMPENSATION, p. 2

### 2003 - 04 TOTAL COMPENSATION SURVEY SALARY RECOMMENDATIONS

#### Occupational Group

Administrative Support	3.3%
Enforcement/Protective Services	4.0%
Trooper Supgroup	4.0%
Financial Services	3.0%
Health Care Services	7.3%
Labor/Trades and Crafts	3.7%
Medical Group	7.3%
Physical Science and Engineering	1.6%
Professional Services/Management	3.5%
Senior Executive Service	3.5%
Teacher	4.9%

### ALSO IN THIS ISSUE:

- Pennington Pilots  
Finance & Procurement p. 3
- DoIT Partners with CDOT, p. 4
- August Employee of the Month, p. 4
- No Man's Land, p. 6

## Compensation, from p. 1

insurance coverage for state employees skyrocketed. Governor Owens has pledged to reverse this trend and worked with the Joint Budget Committee to increase the

They also predict that rates will grow by double-digits in 2004 and 2005. **To meet this challenge, it is imperative that the legislative and executive branches of state government work together**

BENEFIT CONTRIBUTION RECOMMENDATIONS			
	Current Statutory Contribution Per Employee Per Month	Monthly Contribution Increase	
		Option 1*	Option 2**
Employee Only	\$166.12	\$7.81	\$86.88
Employee Plus One	\$239.15	\$11.24	\$172.30
Family	\$328.87	\$15.46	\$242.05
*Option 1 - Based on C.R.S. 24-50-609 (3)(a)(I) to adjust the state's current statutory contribution amounts by the 2001 Consumer Price Index of 4.7%. Per statute, 2001 is the year preceding the year 2002, when these benefit contribution recommendations are made. This is why 2001 consumer price index is used. The seven-month cost is \$4.3 million.			
**Option 2 - Based on C.R.S. 24-50-104 (4) to project the 2002 market premium contribution dollars to calendar year 2004 with 3.0% Consumer Price Index for 2002 and 3.2% consumer price index for 2003. The projected 2004 contribution amounts become the recommended contribution amounts for the state beginning December 1, 2003 through November 30, 2004. The seven-month cost is \$31.4 million.			

State's contribution to employees' premiums twice last year, during both the regular and special legislative sessions.

Most recently, the passage of HB 02-1468 during this year's regular legislative session increased the State's contribution to employees' insurance premiums by 4 percent – the single largest annual increase in many years. However, this 4 percent increase was only about one-half of what Governor Owens and I proposed for calendar year 2003, which prompted the Governor to let HB 02-1468 become law without his signature. As the Governor advised the General Assembly at the time:

[C]olorado ranks 48<sup>th</sup> in the nation in the amount of money that the state contributes to its employees' health insurance. . . . While the increase contained in HB 02-1468 will help somewhat, it does not keep pace with significant increases in health premiums that will fall largely on the backs of our state employees.

Our third-party insurance actuaries continue to advise DPA that insurance rates for state employees are expected to rise by approximately 33 percent next year.

during the 2003 legislative session to provide more competitive insurance benefits as part of employees' total compensation package.

The Legislature had this policy in mind by enacting Colorado's total compensation law: "It is the policy of the state, in recruiting and retaining a qualified and competent work force, to provide total compensation to officers and employees in the state personnel system." C.R.S. 24-50-104(1)(a)(I). I look forward to working with you in the months ahead as we move together toward this goal. Thank you for your support of this report and our recommendations. The entire report is also published on the DPA Website at [www.state.co.us/dpa](http://www.state.co.us/dpa).

Respectfully yours,



Troy A. Eid  
Executive Director

*Troy A. Eid serves on Governor Owens' cabinet as the chief administrative officer for Colorado's \$13.6 billion state government.*

## PERSONNEL CHANGES

### New Employees:

Michalene Lawrence, DFP  
Samuel Ulitzky, DFP  
Kristen Moriarty, DCS  
Francesco Sellitto, DCS  
Karen Enriquez, DCS  
William Tilton, DoIT

Collene Smith, DFP  
Joyce Miller, DFP  
Verneeda White, DFP  
Andrea Woods, SPB

### Retirements:

James Twark, DCS  
Lawrence Hyer, DoIT  
Franklin Miller, DoIT

### Promotions:

Mara Warren, EO

# PENNINGTON PILOTS

## FINANCE AND PROCUREMENT

BY JULIE D. POSTLETHWAIT, COMMUNICATIONS COORDINATOR, DPA



*Richard Pennington*

Last month, State Purchasing Director Richard Pennington was asked to head the Division of Finance and Procurement. As director, Richard will oversee the State Purchasing Office, the State Controller's Office, Central Collections, and the State Buildings & Real Estate Program.

"While oversight is obviously a large part of our division mission, the greater challenge is knowing our customers' businesses, and anticipating their changing requirements, so we can streamline the processes we control. I am impressed by the effort of the division's employees to get closer to our customers—a priority for DPA overall," said Richard.

Richard has looked for challenges right from the start: after gaining admission into the Air Force Academy, he received a B.S. degree in engineering mechanics; a difficult degree at any university, but even more impressive when you consider that the academy requires a great deal of military training in addition to its educational demands.

Once he graduated from the academy, Richard began his career in the Air Force flying B-52s. When his flying days were over, he pursued a law degree from the University of Denver and an advanced degree in public procurement law from George Washington University. With all this education under his belt Richard reached the rank of Colonel and held the position of Chief of the Air Force Commercial Litigation Division, working with the Department of Justice in litigating bid protests,

bankruptcies, contract disputes and patent infringement cases.

After 23 years, Richard retired from the Air Force and he and his wife Maggie returned to Denver. He started his state employment in 1995 with the Attorney General's Office serving as contract, procurement, and construction litigation counsel for agencies and institutions statewide. In 1999, he was selected to serve as State Purchasing Director.

"Richard Pennington's career in state government (both here and in the Attorney General's Office), and his past leadership as a Colonel in the US Air Force, are the ideal match for this very challenging new position. We are indeed fortunate that he has stepped up to the plate at this important time," said Troy Eid, DPA's Executive Director.



*Richard and a Northrop T-38 Talon, during his flying days with the Air Force.*

## LETTERS

Dear Troy:

Thank you for the assistance that your staff recently provided to the Attorney General's office on implementation of the Colorado No-Call Act. Aminah Patterson, Leroy Bradford and Mike Farrell provided invaluable assistance to address problems that we needed to address to respond to consumer and business calls concerning the No-Call law. Sincerely,

KEN SALAZAR  
Attorney General

\*\*\*

Dear Troy:

I just wanted to thank you, so very much, for the "tremendous article" in the Stateline newsletter. Livingston

Keithley was a great professional and a great person to work with. Irene and I are profoundly grateful to you for everything you have done and continue to do for our program, Muchas Gracias!

Troy, it has been truly a pleasure working with you on this "project". I look forward to the day I can shake your hand personally. Until then, take good care.

Let's keep in touch.  
Salud!

Gustavo E. Heredia  
Community Communications



## AUGUST EMPLOYEE OF THE MONTH MIKE WALLACE

Mike Wallace, an employee of the Division of Finance & Procurement, is this month's DPA Employee of the Month. During the Hayman Fire emergency, Mike helped fire fighters, law enforcement, and support personnel in a variety of ways. Initially, the Executive Director's Office received inquiries from local vendors interested in making donations in support of the fire fighting effort. Mike contacted emergency services agencies, arranged a meeting, and developed a process for providing donated supplies and equipment to one of the fire fighting organizations.



*Troy was able to surprise Mike with his award early last week.*

When Mike learned that there was a shortage of hard hats at the site and many persons were wearing cloth hats that provided no protection, and on occasion actually caught fire, he found a way to get high quality hard hats at no cost. Because of a recent contract dispute Mike knew that the Department of Transportation had several dozen unusable hard hats that met all safety specifications but had logo printing errors. He contacted

CDOT and requested that they donate the hats to the emergency effort. Once he had CDOT's approval, he picked up the hats and delivered them to the site. Mike used his own vehicle and expended a considerable amount of personal time in support of the fire fighting efforts. He showed uncommon initiative and resourcefulness.

## DoIT PARTNERS WITH CDOT TO INSTALL NEW PHONE SYSTEM

BY SUE ELLEN QUAM

The Department of Transportation (CDOT) utilizes an interactive voice response (IVR) system to provide a road and weather telephone hotline for citizens and visitors interested in finding out Colorado's latest road conditions. This system provides information for over 9,100 miles of highway CDOT is responsible for maintaining. CDOT will be upgrading their IVR system this August to a new one that provides many new features including higher-quality recorded information with intelligent call routing capabilities.

DoIT is partnering with CDOT on the installation and management of the new IVR system and will house the IVR backbone at the Kipling Complex. In order to successfully convert to this new system, additional upgrades will also be made at the Kipling Complex. Both CDOT and the state agencies housed at the Kipling Complex in Lakewood will greatly benefit from this partnership as the Kipling upgrade will set the stage for future advancements in high quality integrated voice response systems for other state offices housed at the Kipling Complex. These other agencies include: the Department of Public Safety's Colorado Bureau of Investigation, the Colorado State Patrol, the Division of Criminal Justice and the Division of Fire Safety; the Department of Agriculture, and the Division of Information Technologies.

## IDF OPEN HOUSE



The Integrated Document Factory (IDF) held an open house last week to give everyone a chance to check out the new facility. Earlier this year the state mailroom, quick copy and the design

center moved to North Campus. Existing buildings were refurbished and an entire new building was built to house the mailroom.

The open house had a jungle theme with guests being issued a "passports." As adventurers traveled through the wilds of IDF their passports were stamped detailing their visits to the various IDF units. Once they had safely made it back to camp, they were treated to plenty of good food and passports were collected and placed in a drawing for door prizes.



## WHO IS THAT ?

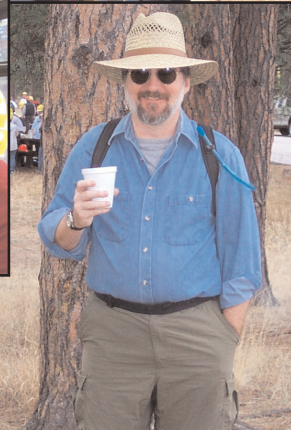
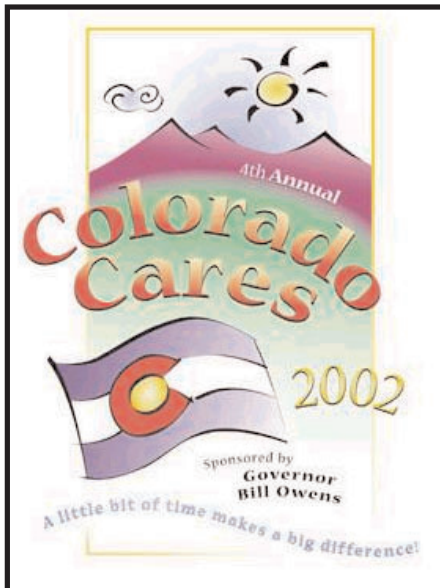
The baby featured in last month's *Dispatch* is Hunter Drake Ahl, the latest addition to Rene Ahl's family.

Try to guess who is the little girl in the picture below and to the right, and win a Starbucks gift certificate.

E-mail you answer to Julie Postlethwait at [julie.postlethwait@state.co.us](mailto:julie.postlethwait@state.co.us).







August 7, 2002

Dear Colleagues,

Governor Owens at this morning's cabinet meeting specifically recognized DPA for the Department's outstanding level of contribution in the Colorado Cares Day volunteer project last Saturday in the Hayman Fire recovery area. More than 1/6 of our entire Department participated in the project, higher than any other state department except for the project's coordinator, the Department of Natural Resources (DNR).

DNR chief Greg Walcher reported this morning that the rains that fell over the weekend were ideal and that forest rangers report that some of the grass seed we planted (to help prevent soil erosion) has already sprouted, accelerating nature's process of forest recovery. Lyle Laverty, director of Colorado State Parks, also called to congratulate DPA and to thank us for supporting the project. This is great feedback from our valued customers.

Let me again thank those of you who volunteered, including Jeff Schutt, who coordinated the department's overall participation in the project, and everyone else who helped.

Best,  
Troy



# “NO MAN’S LAND”

BY PAUL FARLEY

After much discussion and re-discussion, and patiently indulging the desperate, anguished entreaties of our children, my wife and I recently decided we would get a dog. The debate wasn't so much about *whether* to get a dog, but rather *what kind* of dog to get. You see, I have always had german shepherd/collie mixes, while when my wife was growing up, her family had some sort of poodle/terrier thing, so our relative ideas about what is a “normal”-sized dog are very different. In the end, we compromised on a Shetland sheepdog – essentially a poodle-sized collie. My seven-year-old daughter insisted we get a female, in order to balance our familial demographics (my wife and I have two sons and one daughter). A friend of Leroy Williams highly recommended the breeder from whom he got *his* sheltie. I called the breeder and she invited us down to see the latest litter at her place near the town of Walsh, Colorado.

If you haven't been to Walsh (which is very likely), it is in the extreme southeastern corner of the State, 28 miles from Oklahoma, and only 12 miles from Kansas. Wanting to make sure we saw all the local sights, we made a point of following remote gravel ranch roads through Baca County to the “Three Corners” monument, which marks the spot where Colorado, New Mexico, and Oklahoma meet. OK, so it's not as famous as “Four Corners” (at least in part because there are dozens of places where *three* States meet), but I will say that there was no admission charge and there was no one trying to sell me any souvenirs. And, who else do you know that's been there?



Peter Farley at “Three Corners.”

But our adventure had only begun as we continued on into the O k l a h o m a panhandle: we had entered “No Man's Land.” How this area came to be is a classic example of congressional decision-making.

In the decades following the Louisiana Purchase, the national struggle over slavery had led to fights in Congress (literally) as it organized and re-organized the western territories. In the “Missouri Compromise” of 1820, Congress prohibited any further slave States north of the line forming Missouri's southern border at 36° 30' latitude. In the “Compromise of 1850,” Texas gave up its claims to parts of what are now New Mexico and Colorado, and the New Mexico Territory was established with its eastern border at 103° longitude. In 1854, the “Kansas-Nebraska Act” repealed the Missouri Compromise and put the new slavery limit and the Kansas Territory's southern border at 37° north latitude.

By changing the anti-slavery line, Congress unwittingly created a large windswept rectangle 168 miles long and 34 miles wide that had no laws, courts, officials, or government of any kind.

The absence of law had predictable results: the area became a magnet for outlaws and crimes were committed without fear of punishment. Honest settlers were forced to band together to protect themselves and provide an efficient – although not necessarily thorough – means of justice. The result was “bizarre, pulp-story type of outlaw escapades, killings, thievery, vigilance-committee justice, and border rawness.”

One interesting sidelight involved future Colorado interee Buffalo Bill Cody (see “Digging For the Truth” in the January 2002 *Dispatch*). In late 1868, he was serving as a scout for an army unit moving through the area when the commanding officer told him to “bring back some fresh meat.” Perhaps overdoing it a bit, Cody returned a week later, his shoulder bruised and swollen from the rifle “kick,” having personally killed over 100 buffalo.

By the late 1880's the settlers could not put up with their uncertain situation any longer – they established a Territorial Council and adopted Colorado's laws; although because there was no treasury from which to make purchases, they never owned a copy of the statutes. They also held a convention and sent delegates to demand Congress organize the area as the Cimarron Territory. However, because it was thought the area was too small, it was instead attached to the new Oklahoma Territory in 1890. Acting with its usual efficiency, Congress had taken only 36 years to fix a problem it had created. *Additional information drawn from “No Man's Land” by Carl Coke Rister (Univ. of Oklahoma Press 1948).*

## *This and That:*

- “This country has come to feel the same when Congress is in session as when a baby gets hold of a hammer.” – Will Rogers
- Many thanks to Marshall Snider for stepping in as guest author for this space last month. Marshall is a good friend whose wide and varied life experiences could fill several volumes of *National Geographic* travelogues, or one really trashy Jackie Collins novel, depending on who's doing the editing (bless his heart).

Virginia Farley with new friend. Virginia is the one with the long hair.

